



**METROPOLITAN
TRANSPORTATION
COMMISSION**

Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700
TEL 510.817.5700
TTY/TDD 510.817.5769
FAX 510.817.5848
E-MAIL info@mtc.ca.gov

Bill Dodd, Chair
Napa County and Cities

Scott Haggerty, Vice Chair
Alameda County

Tom Ammiano
City and County of San Francisco

Tom Azumbrado
U.S. Department of Housing
and Urban Development

Tom Bates
Cities of Alameda County

Dean J. Chu
Cities of Santa Clara County

Dave Cortese
Association of Bay Area Governments

Dorene M. Giacomini
U.S. Department of Transportation

Federal D. Glover
Contra Costa County

Anne W. Halsted
San Francisco Bay Conservation
and Development Commission

Steve Kinsey
Marin County and Cities

Sue Lempert
Cities of San Mateo County

Jake Mackenzie
Sonoma County and Cities

Jon Rubin
San Francisco Mayor's Appointee

Bijan Sartipi
State Business, Transportation
and Housing Agency

James P. Spering
Solano County and Cities

Adrienne J. Tissier
San Mateo County

Amy Worth
Cities of Contra Costa County

Ken Yeager
Santa Clara County

Steve Heminger
Executive Director

Ann Flemer
Deputy Executive Director, Operations

Andrew B. Fremier
Deputy Executive Director,
Bay Area Toll Authority

Therese W. McMillan
Deputy Executive Director, Policy

**Programming and Allocations Committee
September 10, 2008
Minutes**

Chairperson Tissier called the meeting to order at 11:12 a.m. Committee members in attendance were Commissioners Glover, Ammiano, Bates, Cortese, Mackenzie and Sartipi. Other Commissioners present were Dodd, Haggerty, Azumbrado, Chu, Lempert, Spering, Worth and Yeager.

Consent Calendar

The Committee approved the following consent items:

- *Minutes of July 9, 2008 meeting as submitted.*
- *Proposed allocation of \$4.9 million in Regional Measure 2 (RM2) Capital funds to the City of Vallejo for the Vallejo Station Intermodal project (\$3.6 million) and to the Alameda County Congestion Management Agency for the I-580 HOV Improvement project (\$1.3 million), as well as a proposed change to a project condition. MTC Resolutions No. 3819, Revised, 3664, Revised and 3722, Revised.**

Federal Programming

- New Freedom Program of Projects. MTC Resolution No. 3871

Christina Atienza, Programming and Allocations, gave an overview for the New Freedom Program of Projects. The Federal Transit Administration program provides grants for operations and capital projects that are aimed at reducing transportation barriers for individuals with disabilities. She noted that MTC is the designated recipient for the funds that are apportioned to the Bay Area's large urbanized areas. MTC determines which projects should receive funds. For the small urbanized areas throughout the state, Caltrans is the designated recipient, however MTC has agreed to conduct the competitive process on Caltrans behalf for the small urbanized areas in the region.

For the large urbanized areas, staff recommends funding 9 of the 14 projects. This was discussed with the projects sponsors and several advisory groups. The recommended funding for the 9 projects will use all of the available funds.

For the small urbanized areas, MTC prioritized 5 applications to be submitted to Caltrans. Because less applications were received than available funding, funding will probably carryover into Caltrans next call for projects.

The Committee approved staff's recommendation to refer this item to the commission for approval.

Regional Programming

- *FY 2008-09 Fund Estimate Revision*

Theresa Romell, Programming and Allocations, requested that the item be deferred until next month. MTC had anticipated presenting the revision for the FY 2008-09 Fund Estimate to reflect final budget figures for State Transit Assistance revenue for FY 2009. Since the final budget had not yet been passed, the item will be brought back to the committee in October providing there is a resolution of the state budget.

The Committee item was deferred.

- *Allocation of FY 2008-09 Transportation Development Act (TDA), State Transit Assistance (STA) and Assembly Bill 1107 funds to various claimants for transit capital and operating purposes. MTC Resolution Nos. 3849, Revised, 3850, Revised and 3851, Revised.*

Theresa Romell, Programming and Allocations, provided an overview of the recommended allocations for five transit operators that exceed the \$1 million delegated authority limit (Fairfield Transit, Golden Gate, SFMTA, Union City and VTA). Requested allocation totaled \$174 million for September. FY 2008-09 State Transit Assistance (STA) funds are not being allocated to except to transit operators that have carryover balances from prior years. Golden Gate is the only operator that meets the criteria this month. Delay of STA allocations is due to state budget not being enacted.

Commissioner Bates asked about farebox recovery ratio and whether ridership was affecting this measure in a positive way.

Theresa Rommell commented that when the information was prepared for budget growth vs. service growth, the budget information was used that was submitted by the operators. The farebox revenues and farebox ratio information generally did not suggest a significant increase in ridership.

The Committee approved staff's recommendation to refer this item to the commission for approval.

- *Request to hold an Unmet Transit Needs Public Hearing for Solano County*

Alix Bockelman, Programming and Allocations, provided background on the requirement that MTC conduct a public hearing to receive testimony to determine if there are any unmet transit needs before allocating Transportation Development Act (TDA) to streets and roads. MTC anticipates that TDA funds will be claimed for streets and roads purposes in Solano County in the coming year. Alix noted that the Commission may need to consider Vallejo Transit's budget shortfalls and ability to maintain existing service levels during the unmet needs process. Staff requested that Commissioner Tissier appoint Commissioner Spering to service as the chair for the hearing and to appoint one alternative Commissioner to sit on the panel.

Commissioner Spering accepted the request to serve as the Chair along with Commissioner Haggerty.

The Committee approved staff's request to hold a public hearing.

- *Regional Measure 2 (RM2) Proposed Operating Allocations. MTC Resolution No. 3863, Revised.*

Alix Bockelman, Programming and Allocations, presented a request of allocation of \$2.5 million in RM2 Operating assistance for the Muni T-Third Line rail service. Alix also provided background on a request from the City of Vallejo for \$1.9 million in RM2 operating assistance to address increase operating expenses due to high fuel prices and to allow a partial rollback of their monthly ticket prices to counteract decreased ridership. The request would be for one year only.

Speaker Daryl Halls, Executive Director, Solano Transportation Authority noted that this is a transitional phase due to high gas prices and encouraged support for this request.

John Stanley, Executive Director, Water Emergency Transportation Authority (WETA) indicated that WETA has been working with all parties, and plans to take this item to their Board of Directors.

William Barts, Representing MMT (Captains of the Vessel) wants the community to be aware that there was a tremendous drop in ridership due to the fare increase. Letter submitted to the committee.

Crystal Odum-Ford, Superintendent, City of Vallejo says that the City of Vallejo ferry operation has been successful for the last 20 years. Unfortunately, ridership has decreased due to the cost of fuel prices. Requested Committee support.

Commissioner Spering clarified that the request is to forward this item to the Commission this month so that the fares can be rolled back as soon as possible and to develop a strategy of how to recover the lost riders. Noted that this is a one time request to help accelerate the transition to WETA and to have a stable transit service.

The Committee referred the resolution to the commission for approval and requested that staff include the Vallejo operating allocation for consideration by the commission should it receive the necessary approvals by the Vallejo City Council, WETA, and the Solano Transportation Authority.

- *Resolution 3434 – 2008 Strategic Plan – MTC Resolution No. 3434, Revised.*

Alix Bockelman, Programming and Allocations, provided the specifics of the strategic plan, highlighting the plan's focus on project delivery. The projects in the transit expansion program have escalated in cost from \$10.5 billion to over \$17 billion. The recommendations include closing funding gaps on two projects, the BART to Warm Springs Extension and the AC Transit Bus Rapid Transit projects. Additionally, staff recommends reassigning \$91 million in RM2

funds currently programmed to the Dumbarton Rail Project to the BART to Warm Springs project based on readiness. Staff feels that the recommendation is in line with the strategic plan and has included several complementary recommendations to allow the Dumbarton Rail project to move to a more advanced state of readiness so that when additional revenues are identified it may also move to construction. Alix highlighted the letters and comments received to-date on the proposal.

Public Comments

Speaker, Steve Cho, member of Fremont City Council and Centerville Business & Community Association, spoke in support of the staff proposal.

Speaker, Margaret Okuzumi, Executive Director, Bay Rail Alliance opposed the reassignment of \$91 million from the Dumbarton Rail Project to the BART to Warm Springs project.

Mayor Bob Wasserman, City of Fremont, supported the staff recommendations. He said that this project has been Fremont's and the regions priority for many years.

Speaker, Don Brown, Rotary Club member and Warm Springs resident, supported the staff recommendations. He said the BART to Warm Springs extension should be delivered to bring more business and employment into the region.

Speaker, Greg Green, President, Irvington Business Association, supported the staff recommendations.

Speaker, Patty Kelbe, Warm Springs School PTO President, supported the staff recommendations.

Speaker, Michelle Koan, President, Warm Springs Business and Community Association, supported the staff recommendations and gave staff a petition with signatures supporting the BART to Warm Spings project.

Speaker, Cindy Bonior, President of Fremont Chamber of Commerce, read a letter from Kelly McKenzie of NUMI. The letter supported the staff recommendations.

Speaker Callette Nielsen, Fremont Marriott, supported the staff recommendations.

Speaker Nina Moore, Director of Government and Community Affairs for the Fremont Chamber of Commerce supported the staff recommendations and noted that transportation is vital to the economics success in the community.

Speaker Paul Shepherd, Cargill opposed the staff recommendations.

Speaker Jim Bigelow, Redwood City, San Mateo County and Menlo Park Chamber of Commerce opposed the staff recommendations.

Yoriko Kishimoto, Dumbarton Rail Policy Committee, opposed the staff recommendations.

Speaker Bill Harrison, Vice Mayor, City of Fremont supported the staff recommendations and highlighted the BART to Warm Springs Extension positive impacts on the community.

Speaker Tim Pitsker, Fremont resident and Santa Clara County employee supported the staff recommendations.

Speaker, Tom Blalock, BART Board of Directors supported the staff recommendations and said the recommendations would jump start the BART to Warm Springs project.

Speaker Rick Hedges opposed the staff recommendations.

Speaker Marshall Loring, San Mateo resident and MTC EDAC member opposed the staff recommendations.

Speaker David Schonburnn, TransDef, opposed the staff recommendations and stated the recommendations are not consistent with the RM2 program.

Gerald Cauthen, Oakland resident, opposed the staff recommendations.

Commissioner Comments

Commissioner Lempert opposed the reassignment of the \$91 million from the Dumbarton Rail project. She expressed her strong support for the Dumbarton Rail Project. If the RM2 funds are redirected, she proposes that reliable funds be available for the Dumbarton Rail project within the project timeline. She supports funding for Right-of-Way for the project and funding for temporary expanded bus service. However, she stressed that the full Dumbarton Rail project is an essential link for San Mateo County, Santa Clara County, the East Bay and the region as a whole. She noted her concern that the BART to Silicon Valley project is very capital intensive.

Commissioner Yeager stated that the BART project is ready to go and supported the staff recommendations. He noted recent progress on the BART to Silicon Valley project and VTA's commitment to making the project happen with or without the additional 1/8th cent sales tax.

Commissioner Ammiano asked for a reaction from staff about a bridge loan for the Dumbarton project.

Steve Heminger stated that currently Alameda County STIP funds is the best option for payback. He stated that additional bridge tolls are currently not available but the Commission could direct staff to continue to explore funding options.

Commissioner Tom Bates asked for clarification on the SFO surplus revenue stream.

Steve Heminger answered that the payback started slowly but is now projected to be available sooner than original estimates, due to increased ridership on the extension.

Commissioner Tom Bates asked about the zoning around the Warm Springs station.

Steve Heminger recommended that BART staff or City of Fremont staff answer elaborate on the current zoning around the station.

Commissioner Scott Haggerty noted that Resolution 3434 Transit Oriented Development policy is based on the transit corridor, not specific stations. He also stated that jobs, as well as housing, are important within the corridor.

Commissioner Tom Bates asked if there is a possibility to have housing around Warm Springs and said he felt strongly that Santa Clara County voters need to approve the sales tax measure. He asked if the staff recommendations would still be in effect if the voters do not approve the measure.

Steve Heminger said that the proposal includes conditions on the BART to Warm Springs Extension transactions that require a VTA commitment to build an operable segment. He said if the voters reject the measure, that there would likely be sufficient funds to build an operable segment into Santa Clara county, which would fulfill the conditions.

Mayor Wasserman of City of Fremont, said that an MTC study recommended high-density commercial uses for the Warm Springs station. He added that an Irvington station, if added to the extension, would be very high density housing. Additionally, 300 units of housing at the current Fremont station would be added.

Commissioner Bill Dodd said he supported the staff recommendation because there is a project ready-to-go and that the voters want project delivery. He supports the idea of accelerating the funding for the Dumbarton Rail project, once it is ready to go.

Commissioner Tom Bates moved the item.

Commissioner Haggerty stated that he understands the concerns of Commissioner Lempert. He noted that the SFO extension was a good example of funds being moved between projects successfully. He stated that voters become cynical when projects are not delivered. He noted that he supports regionalism, and that he voted to support High Speed Rail over the Pacheco Pass and other projects for the regional good. He noted that Santa Clara is providing billions of dollars in local funds.

Commissioner Tom Bates noted that the door is not closed to the Dumbarton Rail project.

Commissioner Ammiano wants to be comfortable in voting for the item and make sure that Dumbarton could be delivered in the future.

Steve Heminger responded that staff could check back with the Commission in 6 months. He noted that the Dumbarton Rail project needs \$300 million in addition to the \$91 million recommended for exchange. He noted that staff could explore additional funding opportunities, including the potential for future bridge tolls.

Commissioner Tissier asked staff to include a commitment to exploring all opportunities, including future bridge tolls, to deliver the project when it is ready. The motion was amended to include this commitment and was approved.

Public Comment

No public comment.

Chair Tissier adjourned the meeting at 12:50 p.m.